

AMENDED IN ASSEMBLY APRIL 5, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 2004

Introduced by Assembly Member Beall

February 17, 2010

An act to add Section 10508 to the Welfare and Institutions Code, relating to job creation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2004, as amended, Beall. ~~Job creation; civic works councils; creation, work incentive, and work subsidy programs.~~

Existing law regulates business and employment in California.

This bill, the California Civic Works Act of 2010, would declare the intent of the Legislature to enact legislation, to allow local jurisdictions to create unique solutions, as needed, to respond to California's current economic crisis.

Existing law provides for the allocation of funds received by the state from the federal Emergency Contingency Fund for State Temporary Assistance for Needy Families Programs, in accordance with the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5), to pay county costs for certain wage subsidy programs and nonrecurrent short-term benefit programs, as defined, notwithstanding the provisions of the existing allocation. Existing law defines needy families for purposes of these provisions. Existing law makes these provisions inoperative October 1, 2010, and would repeal the provisions on January 1, 2011.

This bill would require the State Department of Social Services to issue all-county letters or similar instructions to clarify eligibility criteria, and provide a framework for wage subsidy programs funded

pursuant to the federal Emergency Contingency Fund for State Temporary Assistance for Needy Families Programs. The bill would specify other components of the all-county letters or similar instructions. It would exempt income derived from participation by an adult CalWORKs recipient in a wage subsidy program from consideration as income for purposes of CalWORKs eligibility. This bill would prohibit a county's eligibility to receive funding for a program operated in accordance with the bill from being limited or otherwise restricted because the county is already operating a wage subsidy program on the date that the bill is enacted.

Under existing law, moneys from the General Fund are continuously appropriated to defray a portion of the state's share of CalWORKs costs.

This bill would provide that no appropriation would be made for purposes of implementing the bill.

To the extent that it would increase the duties of counties administering the CalWORKs program this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

~~Existing law regulates business and employment in California.~~

~~This bill would state the intent of the Legislature to enact legislation establishing civic works councils in regions of California, which would coordinate with officials and nonprofits to address economic challenges facing California, as specified.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. This act shall be known, and may be cited, as the
- 2 California Civic Works Act of 2010.
- 3 SEC. 2. It is the intent of the Legislature to enact legislation
- 4 to allow local jurisdictions to create their own unique solutions,

1 *as needed, to respond to the economic crisis with which California*
2 *is currently struggling.*

3 *SEC. 3. The Legislature finds and declares all of the following:*

4 *(a) In order to successfully stimulate the economy, a wage*
5 *subsidy program model should include multiple layers of programs*
6 *and people, and contain a workforce training element, to ensure*
7 *that participants obtain jobs with career potential.*

8 *(b) The federal government currently partners directly with*
9 *local officials and nonprofit organizations, to address challenges*
10 *relating to infrastructure, affordable housing, and flood protection.*

11 *(c) (1) As an example, the Santa Clara County Department of*
12 *Social Services has created a three-tiered employment program,*
13 *which could serve as a model for other counties. Tier One is for*
14 *CalWORKs families in which an adult participant is working part*
15 *time and finishing school. Tier Two is for CalWORKs families in*
16 *which an adult participant is working full time. Tier Three is*
17 *directed toward needy families who are not CalWORKs recipients.*

18 *(2) The department also has developed partnerships with*
19 *nonprofit and for-profit employers and created a tiered wage*
20 *subsidy rate structure, under which nonprofit and public*
21 *organizations receive a 100 percent wage subsidy and private*
22 *employers receive an 80 percent wage subsidy. Private employers*
23 *are expected to hire participants, and to pay 100 percent of the*
24 *wage after six months.*

25 *(3) Additionally, the department selected a private firm pursuant*
26 *to a competitive bidding process, to help find employers with job*
27 *openings. In addition, the department partnered with a summer*
28 *youth program and nonprofit entities.*

29 *(d) The goal of the federal Emergency Contingency Fund for*
30 *State Temporary Assistance for Needy Families Programs,*
31 *established by the American Recovery and Reinvestment Act of*
32 *2009 (ARRA) (Public Law 111-5), is to get Americans back to*
33 *work today, and the majority of the provided funds are required*
34 *to be used to subsidize wages directly. In recognition of the*
35 *administrative costs to operate and develop the program, the*
36 *federal funding scheme allows for a cost of doing business, requests*
37 *a 20 percent local match, and permits in-kind contributions to be*
38 *used to satisfy the local match requirement.*

39 *SEC. 4. Section 10508 is added to the Welfare and Institutions*
40 *Code, to read:*

1 10508. (a) The department shall issue one or more all-county
2 letters or similar instructions from the director to clarify eligibility
3 criteria and provide a framework for wage subsidy programs
4 funded pursuant to the federal Emergency Contingency Fund for
5 State Temporary Assistance for Needy Families Programs, Section
6 603(c) of Title 42 of the United States Code.

7 (b) The all-county letters or instructions required under this
8 section shall include examples of successful programs being
9 operated by counties, and also shall address all of the following:

10 (1) A plan to relax procurement guidelines to allow counties to
11 enter into sole-source contract agreements that meet federal
12 procurement standards.

13 (2) A requirement to allow a county to receive emergency
14 contingency funding 60 days before providing local matching
15 funds, in order to cover the initial cost of developing a wage
16 subsidy program.

17 (3) Incentives and guidance to encourage counties to operate
18 summer youth programs.

19 (4) Technical assistance for counties with high unemployment
20 rates, that lack the necessary infrastructure to implement a wage
21 subsidy program on their own.

22 (5) Encouragement of multicounty and regional alignments and
23 joint powers authorities, using economies of scale.

24 (6) Allowing local services agencies, workforce investment
25 boards, and wage subsidy partners to be reimbursed for their costs
26 of doing business for providing technical assistance to counties.

27 (7) Incentives for participation by nonprofit and public sector
28 organizations.

29 (8) Encouragement of a tiered wage subsidy rate structure under
30 which nonprofit and public organizations would receive a 100
31 percent wage subsidy and private employers would receive an 80
32 percent wage subsidy.

33 (9) Development and support of new and existing apprenticeship
34 and preapprenticeship programs, using emergency contingency
35 funds.

36 (10) Encouragement and guidance to encourage counties to
37 create various types of civic works jobs and to build public
38 infrastructure projects.

1 (11) Any other provision the department deems appropriate to
2 facilitate the establishment or operation of a work incentive or
3 wage subsidy program in accordance with this section.

4 (c) Income derived from participation by an adult CalWORKs
5 recipient in a wage subsidy program shall not be considered
6 income for purposes of CalWORKs eligibility.

7 (d) If a county is already operating a wage subsidy program on
8 the date that the act adding this section is enacted, operation of
9 that program shall not limit or otherwise restrict the county's
10 eligibility to receive funding for a program operated in accordance
11 with this section.

12 (e) The department shall provide the Legislature with statistical
13 information, including, but not limited to, county participation,
14 number of jobs, type of employers, and quality of employment, by
15 also submitting all federally mandated progress reports to the
16 Senate and Assembly human services committees, for their review
17 and comment. Section 9795 of the Government Code shall not
18 apply to this subdivision.

19 SEC. 5. No appropriation under Section 15200 shall be made
20 for purposes of implementing this act.

21 SEC. 6. If the Commission on State Mandates determines that
22 this act contains costs mandated by the state, reimbursement to
23 local agencies and school districts for those costs shall be made
24 pursuant to Part 7 (commencing with Section 17500) of Division
25 4 of Title 2 of the Government Code.

26 ~~SECTION 1. (a) It is the intent of the Legislature to enact~~
27 ~~legislation entitled the California Civic Works Act of 2010, which~~
28 ~~would establish civic works councils in existing regions of~~
29 ~~California. The civic works councils would coordinate with~~
30 ~~officials and nonprofits to address challenges, such as infrastructure~~
31 ~~projects, affordable housing, job creation, training and retention,~~
32 ~~and environmental and flood protection.~~

33 ~~(b) It is the intent of the Legislature to enact legislation which~~
34 ~~would allow local jurisdictions to created their own unique~~
35 ~~solutions, as needed, to respond to the economic crisis with which~~
36 ~~California is currently struggling.~~